



CRITICAL NEEDS IN HUMAN SERVICES



DRAFT Issue Paper

*A supplement to the
2006 Fairfax County Legislative Program*

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Critical Needs in Human Services Issue Paper

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CRITICAL NEEDS IN HUMAN SERVICES

An Issue Paper Supplementing the 2006 Fairfax County Legislative Program

The Commonwealth's public policies provide a framework for enhancing the life and well-being of each of her citizens. The policies that provide support for the sick, the young, the old, and those facing other life challenges are seldom viewed by policymakers, the media, or by the public as the most important – until these services are absent when needed. Recent experiences with Hurricane Katrina and Hurricane Rita were crises that highlighted the importance of the public sector's response to the basic needs of all people. These experiences have illustrated that when a community fails to provide for its members at their weakest moments in life, the community overall becomes weak.

The Fairfax County Board of Supervisors remains committed to working collaboratively with the State, as well as the federal government, in meeting the Human Services needs of its most vulnerable residents. The County Board has long recognized that these services are an integral part of what makes the County a desirable place in which to live and work. These needs, however, are complex, as are the programs established to serve them.

This issue paper was developed as a supplement to the human services portion of the 2006 Fairfax County Legislative Program. It attempts to identify in a simple, straightforward fashion some of the more critical needs in human services and how best to address them this Session, so that the State/Local partnership can better serve the Commonwealth's human capital.

Virginia ranks...

- 12th in Population
- 11th in Per-Capita Personal Income.

Yet, Virginia ranks...

- 47th in Federal Grants including formula grants like Medicaid and School Lunch Program.
- 42nd in spending on hospitals, health, and public welfare services

HUMAN SERVICES PRIORITIES HIGHLIGHTED IN 2006 FAIRFAX COUNTY LEGISLATIVE PROGRAM

Funding- Birmingham Green Assisted
Living Facility Capital Expansion

Medicaid

Mental Health, Mental Retardation and
Substance Abuse Services

Funding- Rehabilitative Services Incentive
Funds

Funding – Birmingham Green Assisted Living Facility Capital Expansion

Initiate a one-time State General Fund capital appropriation of \$1.75 million to support the expansion of the Birmingham Green Assisted Living Facility that provides long term care within the region for low-income Northern Virginians.

The Birmingham Green Adult Care Residence (formerly the District Home, authorized under “the District Homes for Aged, Indigent, Infirm and Incapacitated Persons Act”) was originally constructed in 1927, and has been in desperate need for renovation and expansion for a number of years. All assisted living beds at Birmingham Green are available to persons who qualify for Auxiliary Grant assistance. Plans are finalized for the new facility, and federal funding has been secured directly from the Housing and Urban Development (HUD) agency to finance the majority of capital costs for the expansion of the facilities. Additional grants are committed by private donors, by the Virginia Department of Housing and Community Development (DHCD) and in a one-time grant from the 2005 General Assembly of \$250,000. Local funding from the owner jurisdictions is also committed, totaling over \$1 million. However, a \$1.75 million gap in capital financing remains.

In order to keep the federal funding now set aside for this project, the total capital funding package must be secured. This proposal would initiate submission of a State budget amendment for \$1.75 million in one-time funding to close that gap and to ensure the expansion of quality Assisted Living Facility beds specifically dedicated to low-income Virginians from the city of Alexandria, and the counties of Fairfax, Prince William, Loudoun and Fauquier.

Fairfax County...

- Is one of five local government owners of the Birmingham Green Adult Care Residence.
- About 60% of the Birmingham Green population is former Fairfax County residents.
- Birmingham Green is in desperate need for renovation and expansion to ensure the expansion of quality Assisted Living Facility beds for low-income Virginians.

Support revisions to Virginia's State Medicaid Plan that improve the State's position in leveraging the federal funds available through the Medicaid program to meet the fundamental health care needs of the State's most vulnerable citizens. Even as the overall federal Medicaid program is undergoing review, Virginia must:

A. Improve eligibility limits – Virginia's eligibility limits are among the most stringent in the country. These limits are used to manage general fund demands; however, the needs of those who fall above these limits do not change. Two areas requiring revision:

- Raise eligibility for the frail elderly, blind or disabled from the current 80% of the federal poverty level (\$ 9,570 for a single adult; \$ 12,830 for a family of 2) to 100% of federal poverty, thereby sharing the care costs now provided by local governments, hospitals, and private providers.
- Increase the level of eligibility for pregnant women to 200% of Federal Poverty, matching the current limits on eligibility for children under the FAMIS program and providing Virginia with a higher federal match rate when amended as allowable under the federal State Children's Health Insurance Program (S-CHIP)

B. Increase payment rates for critical services – Studies of Virginia Medicaid rates paid for care regularly find that Virginia's rates fall below costs and the rates available through other payors. Low payment rates work as disincentives to providers in maintaining and developing services reimbursable under Medicaid. Rates for many Medicaid-eligible services must be increased to meet requirements for community-based care throughout the Commonwealth, including: adult day health care services; personal care; dental care for children; congregate living, in-home supports, day programs for persons with mental retardation, and EMS ambulance services.

Any rates that do not include a Northern Virginia differential to account for the higher cost of doing business in this part of the State should be revised to include an additional 20%, or more, as appropriate, over the base rate.

C. Enhance options for community-based long term care services – PACE (Program of All-Inclusive Care for the Elderly) is an integrated system of care for the frail elderly that offers and manages all health, medical and social services needed to support seniors in the least restrictive environment. The PACE Model of long term care has demonstrated success in other states, caring for nursing home certified populations on a pre-paid, capitated budget leveraging Medicaid and Medicare dollars. Its goal is to: enhance the State's ability to predict costs for the long term care population; reduce the use of inpatient services, including both hospital and nursing home care; and improve outcomes for comparable individuals served in the traditional Medicare/Medicaid settings. The County's efforts to develop a PACE Model for seniors in Northern Virginia (including Fairfax, Arlington, and Alexandria) have been difficult due to the limitations of Virginia's current strict financial and clinical eligibility criteria, regulatory and policy issues and the lack of startup funds to support planning and development efforts for the PACE project.

D. Support the development of community-based services – To enhance the State's compliance with its Olmstead Plan, allowable and less-costly community-based services should be added to Virginia's Medicaid State Plan. Examples of such services include dental services for adults and substance abuse treatment services for persons of all ages. Providing a source of reimbursement for care provides an incentive for service development, thereby improving access and the avoidance or delay of disease progression to serious conditions requiring more costly inpatient or institutional care.

IN FAIRFAX – the following highlights just a few of the costs borne by the County because of shortfalls in Virginia's current Medicaid State Plan. These shortfalls require that Fairfax residents' County taxes provide for County-run programs to fill the gaps where Medicaid eligibility denies coverage or where the private sector cannot afford to provide the same care at Medicaid-paid rates.

- *Personal Care services reimbursement rates include a 15% differential over other areas of the State. However, even with this differential and the 2% increase due to start on May 1, 2006, the reimbursement rates have not kept pace with actual costs. For example, Fairfax County pays \$16.14/hour while the Medicaid reimbursement rate is \$14.05.*
- *Adult Day Health – Today, the average cost per service unit for Adult Day Health Care in Fairfax County's Health Department is \$82.67 – yet even with the Northern Virginia differential, the Medicaid reimbursement rate remains well below \$50.00.*
- *In addition, a general fund contribution of \$500,000 for each of the five proposed PACE projects would facilitate a more rapid start-up.*
- *CSB – The Day Support Waiver for individuals with mental retardation was authorized by the General Assembly last year and funded for this current fiscal year. This waiver provides funding for day support services only and was targeted to meet the needs of those waiting for day services. However, this waiver only funds individuals in need of day support services and not those who are in need of supported employment. As a result, individuals funded by Fairfax County for supported employment services are denied services via this new waiver funding stream. The exclusion of supported-employment under this particular waiver was not realized by advocates and service professionals who advocated before the General Assembly and worked with DMAS to develop this much needed source of non-local funding.*

Costs borne by the County due to the shortfalls in Virginia's current Medicaid State Plan...

- Personal Care services
- Adult Day Health Care
- The Day Support and Supported Employment Services.

CSB data indicates that over 40% of individuals on MR Services' waiting list do NOT meet the eligibility requirements for placement on the Waiver wait list. Reasons include financial resources, lack of citizenship, or a clinical assessment that indicates their deficits are not significant enough for Waiver eligibility even though the individual meets diagnostic eligibility for mental retardation support services. Without Medicaid and State general funding, the need for service still remains – and in Fairfax, local funding is straining to meet emergency needs for services.

Even though 19 or 35 Medicaid-reimbursable waiver services in the MR area already include Northern Virginia differential payment rates, three very important MR Medicaid Waiver services ---- congregate residential, in-home, and day support --- still have no differential.

An ancillary issue to Virginians whose nursing home care is supported by Medicaid relates to the amount of personal income that is retained for personal needs that are not covered by Medicaid -- clothing, haircuts, telephone calls, postage stamps, etc. In 1988, the federally-mandated minimum for "personal needs allowances" was set at \$30.00 per month. States may subsidize this amount; however, Virginia continues to pay the mandated minimum - \$30 or less than \$1 / day. Maryland's is \$60.00 per month, and the District's is \$70.00 per month. It is recommended that Virginia's be raised to \$60.00 per month.

Support the transformation of Virginia's system of mental health, mental retardation and substance abuse services to better leverage State and Federal funds and improve access to fundamental services in the community and, where needed, within State facilities. To achieve this objective, Virginia must:

A. Fund the further development of community-based services – Shortages of community-based services are well documented and included within the region's recent input to the DMHMRSAS Integrated Strategic Plan. Of particular note is the need for an expansion of crisis stabilization, intensive residential treatment, specialized treatment for persons with mental illness and substance use disorders, permanent housing and transitional housing. This expansion will also facilitate discharges from public and private psychiatric facilities. Funding should also be included for the State's Aftercare Pharmacy, improved access to Assisted Outpatient Treatment when this treatment method is appropriate, and improved outpatient substance abuse treatment services for both children and adults.

B. Ensure an adequate number of inpatient psychiatric beds in every region of the State – The State should partner with private providers in Northern Virginia to immediately address the recent loss of inpatient psychiatric beds in the region which has severely limited access to beds for persons in Temporary Detention Order status. This has shifted the cost of service to public safety agencies and to other regions of the State. A number of strategies can be combined to provide both short-term and long-term resolutions to this immediate concern. The daily rate paid to hospitals for Temporary Detention Order (TDO) beds must be increased, along with funding for this increase. The current (FY 2006) State budget should be amended by adding \$615,000 for the purchase of psychiatric beds, including TDO beds, in Northern Virginia. An additional \$965,000 in ongoing funding is needed to provide the community services needed to successfully discharge 25 patients who are on the Extraordinary Barriers to Discharge List at Northern Virginia Mental Health Institute.

C. Continue funding to develop services for MR Waiver Recipients – Following the recent increases in the Medicaid MR Waiver slots, it has become difficult for providers to expand their capacity in high cost areas of the Commonwealth. Medicaid reimbursement rates for services should be increased and state-sponsored incentive programs should be funded that encourage the development of such programs in Northern Virginia, as well as in other areas of the State where these shortages have developed.

IN FAIRFAX – – the following highlights just a few of the challenges in Mental Health, Mental Retardation and Substance Abuse Treatment Services experienced in Fairfax County alone:

- 350 youth and their families need substance abuse treatment services; and an increased use of opiates poses long-term treatment needs.
- 750 adults who need substance abuse treatment are experiencing long waiting periods.
- 150 babies and their families present annually for mandated assessments and services in the IDEA, Part C program.

Challenges in Fairfax County...

- Long waiting periods for substance abuse treatment.
- Mandated assessments and services in the IDEA, Part C Program.
- Need for special residential community-based services.
- Cost of psychotropic medications.
- Low per diem rate for Temporary Detention Order patients.
- Medicaid Waiver Eligible persons wait for services.

- *150 persons with mental illness are in need of special residential community-based services.*
- *In FY 2005, the CSB spent more than \$1.6 million on psychotropic medications.*
- *The current Per Diem Rate for Temporary Detention Order patients of \$643 falls far short of the average negotiated local rate of \$720 for inpatient beds for voluntary patients.*
- *436 Medicaid Waiver Eligible persons are waiting for services, with 155 identified as having urgent needs.*
- *Since November 2000, 28 individuals with Medicaid Waiver slots have moved out of Fairfax County to other CSB jurisdictions in state to access services because the same needed service was not available within the County.*

Insufficient Medicaid reimbursement rates have negatively impacted service quality and service capacity in Northern Virginia. Low rates, not in keeping with the actual cost of delivering services, makes it difficult for providers to recruit, train, and retain a stable, qualified workforce in Northern Virginia. In addition, low Medicaid Waiver rates make it extremely difficult for providers to absorb increases associated with rising insurance rates, energy related expenses, and other operational costs necessary to maintain regulatory compliance and ensure basic health and safety. As a result, there has been virtually no increase in congregate residential bed or in-home service capacity in Fairfax in the last several years.

Funding – Rehabilitative Services Incentive Funds (“RSIF”)

Support full restoration of the Rehabilitative Services Incentive Fund to the FY 2002 level of \$912,500 to address gaps in services, support innovative programs, and improve coordination in service delivery for persons with disabilities. Furthermore, oppose any legislation that calls for a decrease in such funds.

Virginia's Rehabilitative Services Incentive Fund (“RSIF”) was designed to promote investment in meeting the needs of individuals with physical and/or sensory disabilities. The local Disability Services Boards (“DSB”) identify unmet or underserved needs through a tri-annual needs assessment report, which uncovers areas requiring change and improvement to increase the quality of life for individuals with physical and/or sensory disabilities. In addition, the local DSB is charged with the duty of administering the RSIF, which is a reimbursement grant, and is only awarded when a matching local percentage is met. The local match cannot be in-kind services or other state money. Monies may be used to increase service capacity through expanding existing services or creating new services, but more importantly to stimulate model programs, coordinated services systems, and program innovations.

Up through FY 2002, the RSIF received an annual appropriation of \$912,500, which was competitively allocated to local DSBs throughout the Commonwealth for both single and multiyear grants (up to three years). However, the appropriation has been cut since then, either through a reduced appropriation or through cuts during budget shortfall years.

As a result, the number of grants awarded has declined significantly over the years. In the Fairfax area, eight grants were awarded and then withdrawn by the State in FY 2002. No grants were awarded in FY 2003 or FY 2004, and one grant was awarded in FY 2005 for \$12,800. Statewide, there were 69 grants and 17 continuation grants (multi-year) in FY 2002, 67 grants and 13 continuation grants in FY 2003, and only 13 total grants in FY 2004. Therefore, based on all of the above, the Fairfax Area Disability Services Board strongly supports the return to an annual appropriation of \$912,500.

OTHER CRITICAL NEEDS IN HUMAN SERVICES

*Many human services programs, such as child protective services, adult protective services, comprehensive services for children, foster care, early intervention, public health, mental health, mental retardation, substance abuse, and services for senior citizens are mandated by either Federal or State statutes. Other programs, such as in-home services to senior citizens, mental health, mental retardation and substance abuse services, and affordable health services, while not mandated, provide assistance for County residents who lack the resources to help themselves. Parenting classes and respite services for caregivers intervene to protect individuals at risk of abuse. **The County has long recognized that investments in these human service programs prevent actions that might result in more costly services.***

Fairfax County combines local funds with State and Federal funds to support human services programs that are valued and demanded by County residents. Yet the demand for services is outpacing the available resources. These demands come from: a growing population; fluctuations in available employment; an increasingly diverse population; rising costs of housing; a growing number of an aging population; more costly and time-consuming transportation options; an increasing proportion of children in poverty; rising health insurance costs; and a demand for services in the community, close to home.

Human Services Programs in high demand due to:

- Growing population
- Fluctuations in available employment
- An increasingly diverse population
- Rising costs of housing
- Growing number of an aging population
- More costly and time-consuming transportation options
- Increasing proportion of children in poverty
- Rising health insurance costs
- Demand for services in the community
- Proximity to one's home

Aging and Long Term Care

1. Increase funding to local Area Agencies on Aging (the AAA) for Nutritional Support. The costs of AAAs services are supported by a combination of federal, state, local, and private dollars. In 2000, 1,065,641 Virginians -- all over the age of 60 -- could have used the services of AAAs. In 5 more years, 1,448,609 could demand AAA services -- a 36% increase in just 10 years. The Fairfax AAA provides meals for the County's frail elderly, persons who suffer from chronic and debilitating illnesses, and others who need temporary respite while recovering from surgery.

In FY 2002, Virginia's Area Agencies on Aging saw a small increase in Federal funding and the level of unmet need did not increase for the first time in many years. Yet in the very next year, Virginia's General Fund cuts in 2003 were severe. Each AAA responded by reorganizing operations to minimize the reductions in direct services.

Statewide in July of 2002, the cost to serve those on our home and community based services waiting lists was over \$23 Million. The actual funds AAAs have today from the State are less than that available three years ago and the numbers of Virginians eligible for these services increases monthly.

The cost of food, and the cost to deliver it, continues to increase, especially the cost of delivery. The sharp increase in fuel costs now impacting all of Virginia's business has also meant even less money for food. In Fairfax, the cost to deliver meals averages \$12 per home delivered meal -- higher than in other parts of the state.

***IN FAIRFAX --** County funds supplement what is provided from the Department for the Aging (both State and Federal funds) in order to meet needs that would otherwise remain unmet. In Fairfax, the following illustrates the shift in the source of funds supporting the AAA's meals program:*

| Source | Program Year | |
|---------------|--------------|--------|
| | 2005 | 2006 |
| County Funds | 22.2 % | 44.5 % |
| Federal Funds | 42.3 % | 30.0 % |
| State Funds | 16.4 % | 11.7 % |
| Donations | 19.1 % | 13.8 % |

2. Increase funding to the local Area Agencies on Aging for Transportation Services. In FY 2003, the Virginia AAAs statewide reported that even with all the trips provided for older Virginians through the AAA network, another 22% were needed but could not be provided.

IN FAIRFAX --

- *In Fairfax County, 521,734 one-way trips were provided in FY 2003.*
- *For many seniors, the transportation services of the County are the only means of reliable and age-appropriate transportation to medical appointments and other services that allow seniors to remain in the home of choice.*

3. Increase general fund allocations to the Virginia Department on Aging to “hold harmless” AAAs who will lose funding when new distributions of Federal and State funds to the Area Agencies on Aging are implemented this year. Each ten years, adjustments are made to the formula that distributes federal funds to the AAAs based upon the census and area of residence of persons 60 and older (along with other factors). This year, a study undertaken to assess the impact of the changing demographics in Virginia found that an additional \$1,268,734 is needed to allow VDA to “hold harmless” the 12 AAAs in the State that would otherwise lose funds now supporting critical AAA functions at the local level.

- *The formula for distributing federal funds to each AAA changes every 10 years.*
- *By maintaining services in all Virginia jurisdictions, the overall AAA service delivery system remains strong throughout the Commonwealth.*

Furthermore, to decrease the impact of these required ten-year formula revisions, it is recommended that VDA establish a methodology to revise the distribution annually.

4. **Establish adult fatality review teams.** The Child Fatality Review Teams established in Virginia in 1995 have proven to be successful in improving the ability of first-responders and others in assessing child deaths. Adult Fatality Review Teams would produce the same results – allowing for an improved skill by first-responders and others when the death of a senior citizen in Fairfax and any other area of the State raises suspicion that abuse or other illegal activities may have resulted in the death.

An adult fatality review team would be responsible for cases referred across the State and would be composed of representatives from various State agencies having service responsibilities for seniors and incapacitated adults. According to a report done by the Virginia Department of Social Services in November 2004 titled “*Virginia Adult Fatality Review Team: Preventing Fatal Abuse and Neglect of Virginia’s Vulnerable Adults*,” an adult fatality review team would “...make recommendations for prevention and intervention and ultimately, to make changes to the Commonwealth’s policy and practices so that vulnerable adults do not die needlessly. The general purpose of the Adult Fatality Review Team is determining how systems and agencies can collaborate on preventing future fatalities, not to assign blame or seek retribution for vulnerable adults who have died.”

Fairfax County...

- Adult Protective Services’ (APS) social workers investigate allegations of
 - Abuse,
 - Neglect, or
 - Exploitationinvolving persons age 60 and over and incapacitated adults, age 18 and over
- Currently, if the individual in question dies during the APS investigation, the investigation ends.

IN FAIRFAX – Adult Protective Services’ (APS) social workers investigate allegations of abuse, neglect, or exploitation involving persons age 60 and over and incapacitated adults who are age 18 and over. Today, if the elderly person or incapacitated adult dies during the course of the investigation, the APS investigation ends. APS’ social workers do refer to the Virginia Department of Social Services licensing staff, the Department of Health Center for Quality Health Care Services and Consumer Protection, and the Department of Health Professions, when situations involve someone who was living in a nursing or assisted living facility, or when there is concern regarding a licensed medical professional. Responses from the different regulatory offices, however, do not focus on interdisciplinary best practice solutions.

5. **Increase Auxiliary Grant rates that support residents of Assisted Living Facilities (ALFs).** ALFs are asked to provide short- and long-term care assistance for persons with a wide range of care needs. In this setting, these services are generally not eligible for Medicaid reimbursement; therefore, Virginia's Auxiliary Grant program must be revamped to provide appropriate support that matches the cost of ALF care.

IN FAIRFAX -- the Auxiliary Grant (AG) rate should be raised significantly from the current monthly rate of \$1,086 in planning district 8 (\$944 is provided in the rest of the State), still falling far short of the estimated monthly cost of about \$2,400.

In addition to the need for a basic increase in the AG payment rate, documentation of cost differentials show that the Northern Virginia differential should be increased above the current 15% level. This is particularly important as more than half of the Fairfax residents with Auxiliary Grant are unable to find ALFs to accept them and must live outside of the County and region.

Fairfax County...

- Current monthly Auxiliary Grant rate is \$1,086.
- Estimated monthly cost is about \$2,400.
- Northern Virginia differential needs to be increased.

The local 20% share now required of the Auxiliary Grant recipients' local jurisdiction must be eliminated because it cannot be fairly applied. Many Auxiliary Grant residents of ALFs were residents in State or private institutions prior to admission to the ALF. The jurisdictions housing these institutions are disproportionately "charged" as the home jurisdictions.

Child Welfare Performance Review and the Program Improvement Plan (PIP)

Increase funding to support local social service activities required to meet the Program Improvement Plan. The federal Department of Health and Human Services has conducted a Child and Family Services Review (CFSR) in every state. The CFSR laid out specific goals to ensure continued improvement in programs for children and families at the State and local level. In response, Virginia has developed a Program Improvement Plan (PIP) to ensure that Virginia reaches these goals. Fairfax County will continue to monitor and remain involved in the implementation of the PIP. It is anticipated that the State Department of Social Services will be requesting additional funding to support the implementation of the PIP.

IN FAIRFAX --

- *Based on its current caseload, the County estimates that compliance with the PIP recommendations in order to meet visitation requirements will require an additional \$469,000 per year.*
- *Statewide, general fund requirements are estimated to be \$7 million per year.*

Child Care Programs

Increased funding and policy amendments to improve child care support for low income working families, including those transitioning off of welfare. To meet the growing demand for affordable child care for Virginia's low income working families, Virginia needs to increase funding for child care by increasing General Fund dollars for child care, as well as assuring that all possible federal funds, including TANF funds, are accessed for child care.

Federal policy requires that states establish payment rates for subsidized child care services that ensure eligible children equal access to comparable child care services. Virginia has not increased its school age child care rates since 2001. In addition, rates for all age groups should be increased on a regular two-year cycle. When rates are increased only every three to four years, rather than every two years, the rate increase becomes cumulative and the required local match becomes unrealistic for localities to absorb. In addition, when rates do not reflect the true market cost, parental choice is limited, and parents must pay additional fees. When parents must pay additional fees to retain child care services, the value of wages earned shrinks, preventing advancement toward true self-sufficiency.

Families participating in welfare programs are currently eligible for one year of transitional child care services after "graduating" from welfare. However, in many cases, the wage rates of former welfare participants are still too low to allow payment of child care costs at competitive market rates. This puts "graduates" at risk of losing jobs and undermining the investments made by the families, as well the state and County funds invested in welfare programs. An additional year of transitional child care would ensure potential for success in families working to become self-supporting.

Policies and funding are needed for the following priorities:

- additional funds so that the allocation of all available child care funds to localities meets demand within that jurisdiction;
- provider reimbursement rates which are updated on a two year cycle and reflect the true market, ensuring that low-income families have access to child care for children of all ages;
- an additional year of child care subsidies for working, low-income families "aging out" of welfare programs.

IN FAIRFAX –

- *The "Maximum Reimbursable Rate" (MRR) for full time school-age care in a childcare center is \$148/week.*
- *The typical cost for full time school-age children childcare in Fairfax is between \$160 - \$190 / week.*
- *The "MRR" for before and after school care in a childcare center is \$95 / week. The typical range in the county is between \$115 - \$130 / week.*

Foster Care – Payment Rates to Foster Families

Increase state funding to support the expenses of Foster Parents. The State provides funding to cover some of the costs incurred by foster parents. This ranges from \$312 monthly for a child 4 years old or younger, to \$463 for a child 13 or older. This payment covers far less than the foster parents' actual costs, and Virginia's current reimbursement payment rates are lower than the rates in neighboring states or the national average.

One Northern Virginia jurisdiction is advocating that the Governor include within his budget the funds to increase these rates to the national average -- between \$423 and \$497, depending on age.

- In October 2005, 441 Fairfax County children were placed in foster care.

IN FAIRFAX -- *In October 2005, 441 Fairfax County children were placed in foster care. About 1/3 (165 children) were placed in foster homes of private child placing agencies. These placements receive the same room and board rate as those foster homes approved by the County directly and caring for the balance of the children in foster care.*

Healthy Families

Increase state funding to support the Healthy Families Programs. The Healthy Families program is an example of a nationally recognized prevention program in which the Commonwealth's investment has produced tangible positive outcomes. However, limited State funding for prevention initiatives has stopped the development of new programs and has put existing Healthy Families sites in a precarious position. Previously allocated federal Title IVE Pre-placement Prevention funds have been lost and additional General Funds are needed.

- An increase in General Fund support of \$200,000 for Fairfax could enable an additional 50 families to enroll in Healthy Families Fairfax.

***IN FAIRFAX** – Outcomes in Fairfax have been outstanding for the 650 program participants who were enrolled because they were at high risk for abusing or neglecting their children. An increase in General Fund support of \$200,000 for Fairfax could mean an additional 50 families who are at high risk of abusing or neglecting their first-born children could be enrolled in Healthy Families Fairfax.*

Juvenile Justice Services

In 2003, 51 percent of State funds (\$886,384) were cut from the Virginia Juvenile Community Crime Control Act (VJCCCA) for juvenile justice. As a result, funding for numerous Fairfax County juvenile justice programs is reduced and the CHINS Diversion and First Offender Programs are eliminated completely. Many of the remaining local juvenile justice programs are currently filled to capacity. Additionally, the Department of Juvenile Justice (DJJ) reduced its block grant funding reimbursement to the County; the reduction resulted in the Juvenile Detention Center's (JDC) scaling back staffing and closing down one of its 11 units.

The JDC's current capacity is 121 youth with adequate staffing of 99 beds. Historically the DJJ has failed to reimburse Fairfax County the full 50% share of costs for probation officer salaries, as required by law. Juvenile justice system reimbursements from the State need to be restored in order for the Court to respond to court ordered youth programming and to prevent the further restriction and potential cuts in service areas.

IN FAIRFAX-

- In 2005, Fairfax was reimbursed for only 21% of the costs for probation officers salaries.

Proposed “Virginia Fair Wage Act”

Increase Virginia’s minimum wage. A variety of groups have coalesced to support the establishment of a “Virginia Fair Wage Act”, its purpose to increase the Virginia minimum wage by \$1 in each of the next three calendar years and to index the minimum wage to federal inflation rates thereafter. The cost of living has increased while the entry-level wages of many low-income workers has not.

The Virginia State minimum wage law applies to all employers with 4 or more employees and does not contain current dollar minimums. Instead the State adopts the Federal minimum wage rate by reference (currently \$5.15 / hour). Virginia’s law excludes from coverage any employment that is subject to the Federal Fair Labor Standards Act.

A single Virginia worker earning the minimum wage makes only \$9,893 annually, or \$824 a month, after deductions for Social Security and Medicare. Today’s official Federal poverty level is \$9570 for that same single person in Virginia. The median monthly rent for a one-bedroom unit in this region is \$915 – above the take-home pay for a single worker.

While Virginia continues without a minimum wage increase, other states have moved forward. Seventeen, including the District of Columbia, have raised their minimum wage since 1997, the year when Virginia last approved an increase. A Pew Research Center Poll conducted in December 2004 found that 86% of those surveyed supported raising the federal minimum to \$6.45 an hour.

Overall Social Services

The recently released JLARC report on the *Operations and Performance of Virginia's Social Services System* highlights a number of systemic problems that hinder the activities of local departments of Social Services, including inadequate state support for administrative functions that support critical services. Each local Social Services agency is charged with determining eligibility for certain critical service programs, such as Food Stamps and Medicaid. Additionally, local departments provide critical protection and support functions, including Foster Care, Child and Adult Protective Services, and more. These services are provided through a shared system of state-supervised and locally administered programs.

The JLARC report documents that strengths are found in the local administration of the system, yet local departments lack resources, and in some cases, capacity to provide these critical care services. According to the report, total funding available to support Virginia's social services system has increased by 25% over the past 5 years. However, local funds represent 49% of that increase, while growth in State funding represents only 7% of that total. (The balance of funding is federal.) The ability of local governments across the State to provide necessary "gap" funding varies widely; yet local governments are increasingly called upon to do so where State funding responsibilities are not being met. The report goes on to show that many of the performance weaknesses found within Virginia's system overall can be traced back to a lack of appropriate administrative support from the State Department to the local offices.

In addition to the elements of funding raised in the JLARC report, other considerations should be given to Virginia's use of TANF funds overall. Consideration should be given to establishing an indexing standard that results in more regular inflation-based adjustments to recipient payment programs. With an improved indexing standard, the current erosions in the purchasing power of these assistance programs would be minimized.